



State of Utah  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS AND MINING

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March 26, 2002

Jay Marshall, Resident Agent  
Utah American Energy Inc.  
P.O. Box 986  
Price, Utah 84501

Re: Initial Review of Technical Adequacy, New Permit Application, Lila Canyon Extension, Utah American Energy, Inc. (UEI), Horse Canyon Mine, C/007/013-PM02B, Outgoing File

Dear Mr. Marshall:

After an initial review of the application for the Lila Canyon extension to the Horse Canyon Mine (PM02B), the Division sees that changes need to be made to the application. A list of the requested information is attached. The list is written in bullet format, so that you can quickly identify each issue and respond.

Towards the end of April 2002, your publication requirements should be complete. As required by R645-301-122.310, UEI will be kept informed of any public input received during the public comment period.

If you have any questions, please call Priscilla Burton at (801) 538-5288, Team Lead for this review, or Dana Dean at (801) 538-5320, Co-Team Lead.

Sincerely,

Mary Ann Wright  
Associate Director, Mining

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Attachment: (DefPM02BA.doc)

cc: Mr. Clyde Burrell  
Price Field Office

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OK

**New Permit Application, Initial review of Technical Adequacy,  
Lila Canyon Extension (PM02B) to the Horse Canyon Mine,**

**March 26, 2002**

**Administrative**

- R645-301-114 and R645-301-521, UEI publicly stated "The company plans to build a 4.7 mile road from the mine site to a Union Pacific rail line" (Deseret News February 28, 2002). Please supply right of entry information about this road, as well as the legal description and maps, for consideration in permitting this road as part of the Lila Canyon Extension. Other data may be required under R645-301 in order to make a determination on inclusion of the road in the permit.

**Vegetation**

- R645-301-131, Amend the application to supply information in the form of qualification sheets for each person who conducted the surveys for biological and other information in the permit, Appendix 1.5.
- R645-301-121, Provide the correct survey dates for vegetation and wildlife surveys. A conflict of dates exists between the vegetation report cover and the inside text.
- R645-301-321, The surveys to predict revegetation potential of the disturbed areas were conducted in November. Provide a commitment in the application to conduct vegetation surveys of the reference area and disturbed area during the active growing season and prior to initial disturbance in order to list species, which would not be detectable after the growing season.
- R645-301-322, The application needs to include information about Mexican spotted owl habitat in the area, and Table 3-1 should be updated to include Mexican spotted owls. Also, discuss the proximity of designated critical Mexican spotted owl habitat to the permit area.
- R645-301-322, Frank Howe of the Utah Division of Wildlife Resources has conducted a survey of the area of surface disturbance and surrounding cliffs for Mexican spotted owl habitat. The application also needs to include a survey for Mexican spotted owl habitat in areas likely to be affected by subsidence or other surface expressions.
- R645-301-322, The application needs to include information about the Books Cliffs blazing star (*Mentzelia multicaulis* var. *librina*). A survey must be conducted for this species and survey results included in the MRP prior to any surface disturbance. A commitment to conduct this survey must be included.

- R645-300-133.500, Provide a discussion in the application of potential habitat and/or occurrence of all T & E and sensitive species within the permit area. The USFWS can provide the latest list of T & E species occurring in Emery County. The BLM has a list of sensitive species occurring in their district.

### Acid/Toxic

- R645-301-624.300 and R645-301-728.320, Include the analyses for acid- and toxic-forming materials from bore-holes 25 and 26 in the Kaiser South Lease area, and identify the bore hole logs in Appendix 6-1 that describe pyrite in the strata.
- R645-301-624.320, Explain in the application why there was no acid/toxic testing of core samples.
- R645-301-626, File a written request with the Division to have the requirements of R645-301-623.100 and -623.200 waived, based on the disposal and containment of all potentially acid- and toxic-forming material at the approved refuse disposal site.
- R645-301-731.100, The submittal plans for one sample of coal mine waste for every 10,000 tons generated (Appendix 5-7). Amend the plan to increase the sampling rate. This should avoid contention over sample adequacy in the identification and treatment of any potentially acid/toxic forming material.
- R645-301-746.120, Specify compaction levels of the mine waste in the waste disposal and handling plan of Appendix 5-7, which is planned to be used to eliminate water infiltration into the waste.

### Hydrology

- R645-301-722.100, Modify the potentiometric surface on Plate 7-1 to include the Horse Canyon Mine car-dump (an in-mine excavation): Dashed lines rather than solid lines are appropriate to use, indicating the approximate and interpretive nature of this potentiometric surface.
- R645-301-722.100, Replace all applicable references to a "regional aquifer" (please refer to the regulatory definition of "Aquifer") with "saturated rock", "zone of saturation", or a comparable term unless directly quoting another source.
- R645-301-121.100, In the MRP, Chapter 7, pp. 7 & 8, UEI attributes a regional aquifer to "Waddell and others, (1986, p. 41)". Please remove this reference. It is incorrect

because Waddell et al. (1986) describes a potentiometric gradient but does not ascribe it to regional flow or a regional aquifer.

- R645-301-722.100, Identify the difference between the North Horn/Colton aquifer and the deep groundwater or saturated zone
- R645-301-722.100 and R645-301-728, Revise the description of the potentiometric surface so that it does not imply regional flow to the northeast.
- R645-301-722.100, Map seasonal variations for IPA-1, IPA-2, IPA-3 and the car-dump.
- R645-301-722.100, Map water levels of and extent of Undifferentiated North Horn/Colton aquifer.
- R645-301-722.300, Replace all references to IPA-1, IPA-2, and IPA-3 as "monitoring wells" and "ground-water monitoring wells" with "piezometers" and explain so the public easily understands that these are not "wells" in the commonly understood sense.
- R645-301-724.420, Provide copies of field notes showing dates when intermittent streams were observed. Enter this data in the water database.
- R645-301-728, Discuss groundwater association of the mine with Range Creek. Clarify and reinforce the concept of hydrologic isolation between Range Creek and the Lila Canyon Extension. Ensure all data is in the e-data base.
- R645-301-731.200, Consolidate Lila and Horse Canyon water monitoring data into one plan in this new application. Ensure all data is in the e-data base.
- R645-301-722.100 and R645-301-728, Consolidate all water monitoring data from all sites monitored in the past, including data from RS-1, the in-mine monitoring sites, and CA-1, plus any others not specifically listed here. Show the locations of these sites on Plate 7-1. Summarize baseline data in an easily understood table or spreadsheet. Ensure all data is in the e-data base.
- R645-301-624.300 and R645-301-722.300, Add site S-32 to all appropriate maps, in particular to geology and hydrology maps, and discuss information (found in the Kaiser South Lease permit application package) from this borehole, including water quality and level data, wherever appropriate.
- R645-301-725.200, Include Waddell's water monitoring data from Horse Canyon in the application.

- R645-301-724.420, Submit electronically all baseline data currently not in the database.
- R645-301-724.420, Develop a written plan for accessing ALL water monitoring sites ALL year long. The statement, "No Access" may not be accepted by the Division for water monitoring sites.

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